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APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the point of diversion of the geothermal fluid heretofore granted under Permit 50377 is issued subject to the terms and conditions imposed in said Permit 50377 and with the understanding that no other rights on the source will be affected by the change proposed herein.

This permit is issued subject to existing rights. It is understood that the amount of geothermal fluid herein granted is only a temporary allowance and that the final right obtained under this permit will be dependent upon the amount actually placed to beneficial use. It is also understood that this right must allow for a reasonable decrease of fluid pressure and heat. The well shall be equipped and maintained to prevent any waste of the geothermal fluid. Accurate measurements must be kept of discharge of the production well and the amount of fluid injected into the injection well to determine the total amount of fluid diverted and consumed for a beneficial use.

The production and injection well are to be cemented from the producing levels to the surface to protect fresh water zones. This permit is issued subject to the condition that only geothermal fluids are to be diverted and used beneficially for heating purposes and fresh, cold water aquifers are not to be diverted. The used geothermal fluids are to be returned to the source via the injection well. The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies. A detailed log on the injection well and/or other analyses of the system used for returning the used geothermal fluids to the source must be submitted together with the Proof of Completion.

An annual report for this well must be filed under this permit describing the amount of geothermal fluid diverted and consumed to a beneficial use for the calendar year. This report must detail the amount of fluid produced and injected.

The total withdrawal of the geothermal fluid shall be limited to 2,606.0 acre-feet per year but the total consumptive use of the geothermal fluid is limited to only incidental fluid losses in the system and in no case shall it amount to more than 10% of the volume withdrawn annually. The State Engineer does not waive the right to make a determination of incidental fluid losses at any time and impose additional conditions thereto. This permit is further issued subject to the provisions of NRS 533.372(1) and with the understanding that the power or energy generated by the beneficial use of this water or steam is subject to recapture and use within the boundaries of the State of Nevada when the need arises.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

The total combined consumptive duty of water under Permits 64302, 64303, 64304, 64305, 64306 and 64307 shall not exceed 1,566.0 acre-feet annually.

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 3.6 cubic feet per second, but not to exceed a consumptive use of 261.0 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

December 10, 1999

Proof of completion of work shall be filed before:

January 10, 2000

Application of water to beneficial use shall be filed on or before:

December 10, 2001

Proof of the application of water to beneficial use shall be filed on or before:

January 10, 2002

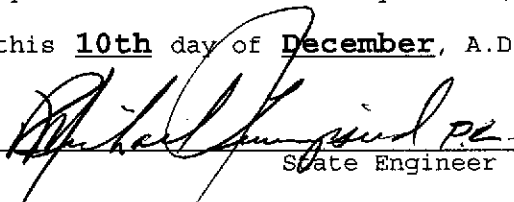
Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.,

State Engineer of Nevada, have hereunto set  
my hand and the seal of my office,

this 10th day of December, A.D. 1998

  
State Engineer

Completion of work filed DEC 29 1999


Proof of beneficial use filed \_\_\_\_\_

Cultural map filed \_\_\_\_\_

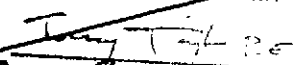
Certificate No. \_\_\_\_\_

Issued \_\_\_\_\_

~~CANCELLED JUN 17 2005 BECAUSE OF FAILURE  
OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT~~

~~ STATE ENGINEER~~

~~Can. Rescinded 11/4/05 - Dam  
CANCELLED MAR 20 2007 BECAUSE OF  
FAILURE OF APPLICANT TO COMPLY WITH THE  
PROVISIONS OF PERMIT~~

~~ STATE ENGINEER  
Can. Rescinded 10-10-2007~~